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SENATE BILL 621

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO STATE EXPENDITURES; TRANSFERRING MONEY TO THE
GENERAL FUND FROM THE LOCAL GOVERNMENT TRANSPORTATION FUND;
AUTHORIZING SEVERANCE TAX BONDS FOR THE LOCAL GOVERNMENT
TRANSPORTATION FUND; MAKING AN APPROPRIATION FOR THE EMERGENCY
SUPPORT OF SCHOOL DISTRICTS FACING SHORTFALLS IN THEIR
OPERATING BUDGETS; MAKING AN APPROPRIATION FOR CERTAIN
SUPPLIES, EQUIPMENT AND OPERATING COSTS OF NEW SCHOOLS;
DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. FUND TRANSFER--LOCAL GOVERNMENT TRANSPORTATION
FUND.--Notwithstanding any provision of Section 6-21-6.12 NMSA
1978, ten million dollars (\$10,000,000) is transferred from the
local government transportation fund to the general fund for
the purpose of meeting the appropriation made in Section 3 of
.176889.1

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1 this 2009 act. The money transferred represents a portion of
2 the amount of the general fund appropriation made in Subsection
3 B of Section 3 of Chapter 3 of Laws 2007 (1st S.S.).

4 Section 2. AUTHORIZATION FOR SEVERANCE TAX BONDS FOR
5 LOCAL GOVERNMENT TRANSPORTATION FUND.--

6 A. The state board of finance may issue and sell
7 severance tax bonds in fiscal years 2009 and 2010 in compliance
8 with the Severance Tax Bonding Act in an amount not exceeding a
9 total of ten million dollars (\$10,000,000) when the department
10 of transportation certifies the need for the issuance of the
11 bonds.

12 B. The state board of finance shall schedule the
13 issuance and sale of the bonds in the most expeditious and
14 economical manner possible upon a finding by the board that,
15 based upon a certification from the department of
16 transportation, the proceeds of the bonds are needed and that
17 the projects can proceed to contract within a reasonable time.
18 The state board of finance shall further take the appropriate
19 steps necessary to comply with the federal Internal Revenue
20 Code of 1986, as amended. The state board of finance may issue
21 and sell the bonds in the same manner as other severance tax
22 bonds in an amount not to exceed the authorized amount provided
23 for in Subsection A of this section.

24 C. The proceeds from the sale of the bonds are
25 appropriated to the local government transportation fund for

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1 distribution as directed by the department of transportation
2 for projects pursuant to Section 6-21-6.12 NMSA 1978.

3 D. Money from the severance tax bonds provided for
4 in this section shall not be used to pay indirect costs. If
5 the department of transportation has not certified the need for
6 the issuance of the bonds by July 1, 2011, the authorization
7 provided in this section shall expire.

8 Section 3. APPROPRIATION--SCHOOL DISTRICT EMERGENCY
9 SUPPORT--NEW SCHOOL DEVELOPMENT.--

10 A. Ten million dollars (\$10,000,000) is
11 appropriated from the general fund to the public education
12 department for expenditure in fiscal years 2009 and subsequent
13 fiscal years for the following purposes:

14 (1) for the emergency support of school
15 districts that are experiencing shortfalls in operating budgets
16 in fiscal year 2009 or 2010 and that, without the emergency
17 assistance, would have to reduce the number of employees and
18 the quality of public education; and

19 (2) after the department has provided all
20 emergency support needed pursuant to Paragraph (1) of this
21 subsection or July 1, 2011, whichever first occurs, the
22 unexpended or unencumbered balance shall be transferred to the
23 new school development fund and expended during fiscal year
24 2010 and subsequent fiscal years pursuant to the provisions of
25 Subsection B of Section 22-8-48 NMSA 1978.

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B. Unexpended or unencumbered balances shall not
revert at the end of a fiscal year.

Section 4. EMERGENCY.--It is necessary for the public
peace, health and safety that this act take effect immediately.

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